TESTIMONY OF JAMES P. GRIFFIN, Ph.D. CHAIR, PUBLIC UTILITIES COMMISSION STATE OF HAWAII

TO THE HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

March 12, 2019 8:30 a.m.

Chair Lowen and Members of the Committee:

MEASURE: S.B. No. 1442 SD1

TITLE: RELATING TO THE PUBLIC UTILITIES COMMISSION.

DESCRIPTION: Requires the public utilities commission to consider the value of improving electric power systems data access and transparency in order to make informed decisions. (SD1)

POSITION:

The Public Utilities Commission offers the following comments for consideration.

COMMENTS:

The Public Utilities Commission ("Commission") supports the intent of this measure, which is to improve electric power systems data access and transparency within the State in order to empower ratepayers, improve decision-making related to reliability and operational efficiency of the electric system, maximize the value of grid modernization technologies and investments, and promote innovation and economic development opportunities related to energy data analysis.

The Commission is considering energy data access requirements as part of the Hawaiian Electric Companies' Grid Modernization Strategy and project implementation (see Docket Nos. 2017-0226 and 2018-0141). As such, the Commission is appreciative of the Legislative guidance provided by this measure.

Thank you for the opportunity to testify on this measure.



DAVID Y. IGE GOVERNOR

JOSH GREEN

STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809 Phone Number: 586-2850

Phone Number: 586-2856 Fax Number: 586-2856 cca.hawaii.gov CATHERINE P. AWAKUNI COLÓN

JO ANN M. UCHIDA TAKEUCHI

Testimony of the Department of Commerce and Consumer Affairs

Before the
House Committee on Energy and Environmental Protection
Tuesday, March 12, 2019
8:30 a.m.
State Capitol, Conference Room 325

On the following measure: S.B. 1442, S.D. 1, RELATING TO THE PUBLIC UTILITIES COMMISSION

Chair Lowen and Members of the Committee:

My name is Dean Nishina, and I am the Executive Director of the Department of Commerce and Consumer Affairs' (Department) Division of Consumer Advocacy. The Department supports this bill and suggests amendments.

The purpose of this bill is to require the public utilities commission to consider the value of improving electric power systems data access and transparency in order to make informed decisions.

For some time, the Department has been advocating for greater access to energy data in various proceedings before the Commission for the very reasons articulated in this measure. The Department appreciates the measured approach set forth in this bill, which requires that the Commission consider the balance of consumer privacy, critical infrastructure security, and other considerations. Customers should certainly have improved access to their own energy-related data, whether such energy services are provided by a regulated utility or a third-party services provider. The

collection and maintenance of data related to energy services are no longer limited to just the regulated utility, and customers should be able to access that data regardless of who is providing the energy services. Thus, the need to establish greater data access must also consider how to allow customers access to all relevant data, and not just data collected by the regulated utility.

The Commission has also acknowledged the need to improve access to data. Pursuant to that acknowledgement, the Commission has initiated steps to address the identified need and consideration of the principles outlined in this measure. For instance, in October 2018, the Commission scheduled a data access and data privacy workshop to determine current practices and technologies related to granting third-party access to customer data. In addition, the Department has advanced the idea of establishing data access as a regulatory outcome in Docket No. 2018-0088, which is investigating the implementation of performance-based regulation. Since the Commission may already be addressing the purpose of this measure, S.B. 1442, S.D. 1 may not be necessary; however, the Department nevertheless supports the measure.

Finally, the Department respectfully suggests certain amendments to the bill. First, the Committee should require the Commission to consider how to increase publicly available data related to utility <u>and</u> third-party electric power systems. This will ensure that <u>all</u> relevant data that might reasonably be made available, rather than only utility-collected data, will be available to consumers. Second, the Committee should avoid unintended higher costs in utility services by modifying subsection (b)(4) to read: "Ensuring that electric power systems data is made available through simple, electronic, consistent, machine-readable formats with temporal and geographic granularity, where cost-effectively possible." Requiring data with temporal and geographic granularity in all instances may not be cost-effective or possible. Thus, the Department recommends requiring the provision of data with the required granularity only if it is possible and does not result in unreasonable cost increases.

Thank you for the opportunity to testify on this bill.

TESTIMONY BEFORE THE HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

S.B. 1442, SD1
Relating to Energy Efficiency

Tuesday, March 12, 2019 8:30 AM, Agenda Item #1 State Capitol, Conference Room 325

By Kelly McCanlies Privacy Officer Hawaiian Electric Company, Inc.

Chair Lowen, Vice Chair Wildberger and Members of the Committee,

My name is Kelly McCanlies and I am testifying on behalf of Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaii Electric Light Company (collectively "the Hawaiian Electric Companies") with comments regarding S.B. 1442, SD1, Relating to the Public Utilities Commission. The Hawaiian Electric Companies strongly support transparency, however due to a recently initiated working group and an open docket with the Public Utilities Commission related to data access and transparency (see Hawaiian Electric Companies' Grid Modernization Strategy and project implementation Docket Nos. 2017-0226 and 2018-0141), this bill may not be necessary at this time.

Hawaiian Electric Companies strongly support energy innovation, which will be critical to achieve Hawaii's clean energy goals. Accurate data is a fundamental requirement for such innovation. That is why we have already undertaken efforts and commitments in this area. As mentioned by the Public Utilities Commission's testimony before the Senate, the Grid Modernization docket already considers data transparency as advocated by this bill.

In Hawaiian Electric Companies' Request for Proposal for the Meter Data Management System, both Green Button "Download My Data" and Green Button "Connect My Data" are specified. These standards address customer access to and customer authorization for sharing data, as referenced in items (b)(1) and (b)(2) of this bill. Additionally, Hawaiian Electric Companies have already certified compliance with



the United States Department of Energy's DataGuard Program, which has requirements for customer data access. These issues were focused on during a data access and data privacy workshop held in October 2018 by the Public Utilities Commission and referenced by the Consumer Advocate in his testimony before the Senate.

Hawaiian Electric Companies also support the Consumer Advocate's suggestion that innovation will require not just data from regulated utilities, but also generation data from third parties. This is true for utility-scale generation, as well as distributed generation such as rooftop solar. As such, access to some third-party data may fall outside the purview of the Public Utilities Commission, but within the scope of the Hawaii State Legislature.

Finally, the Companies also share the Consumer Advocate's belief that data sharing should benefit Hawaii consumers and not come as an added expense to rate payers. Utilities such as Commonwealth Edison in Illinois are making non-personally-identifiable energy data publicly available through a cost structure that shares the expenses with the third parties benefiting from the data access. The Companies are exploring this solution for feasibility in advance of the requisite data becoming available through the improvements proposed in the Grid Modernization docket.

As stated earlier, we strongly support energy innovation. We believe the Public Utilities Commission, the Consumer Advocate, and the Hawaiian Electric Companies are already considering data transparency and innovation and will continue to do so for the benefit of the residents of the State of Hawaii. At the conclusion of the October 2018 workshop which focused on data access and data privacy, a working group was initiated and is expected to convene, and further address issues related to data access and transparency in the near future. While the Hawaiian Electric Companies appreciate improving electric power systems data access due to ongoing efforts by the convening parties, this measure as proposed may not be necessary at this time.

Thank you for your consideration and the opportunity to testify on this bill.





Email: communications@ulupono.com

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION Tuesday, March 12, 2019 — 8:30 a.m. — Room 325

Ulupono Initiative **Supports** SB 1442 SD 1, Relating to the Public Utilities Commission

Dear Chair Lowen, Vice Chair Wildberger, and Members of the Committee:

My name is Murray Clay and I am Managing Partner of the Ulupono Initiative, a Hawaiʻi-based impact investment firm that strives to improve the quality of life for the people of Hawaiʻi by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and better manage waste and fresh water resources. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono <u>supports</u> SB 1442 SD 1, which requires the Public Utilities Commission to consider the value of improving energy data access and transparency in order to make informed decisions, because it aligns with our goal of increasing the production of clean, renewable energy in Hawai'i.

For energy consumption reduction to be successful, we need educated and motivated people and businesses to actively practice energy efficiency in their daily purchases and behaviors. By providing ratepayers with their energy consumption, this can help them to think about how best to invest in reducing their energy costs for their own economic interest.

Similarly, it could be additionally beneficial to have comparable energy costs for similar sized spaces. This would further help ratepayers to understand how their effective they are in managing their costs.

As Hawai'i's energy issues become increasingly complex and challenging, we appreciate this committee's efforts to look at policies that support renewable energy production.

Thank you for this opportunity to testify.

Respectfully,

Murray Clay Managing Partner

<u>SB-1442-SD-1</u> Submitted on: 3/9/2019 3:23:48 PM

Testimony for EEP on 3/12/2019 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Marten	Healthy Climate Communities	Support	No

Comments:

Data available to private companies and to the public will enhance Hawaii's transition towards clean energy by clarifying opportunities for further efficiency and for substitution of clean energy sources for oil.



Written Statement of Elemental Excelerator before the House Committee on Energy and Environmental Protection Tuesday, March 12, 2019

In consideration of <u>SB 1442 SD 1</u> RELATING TO THE PUBLIC UTILITIES COMMISSION

Aloha Chair Lowen, Vice-Chair Wildberger, and Members of the House Committee on Energy and Environmental Protection:

Elemental Excelerator respectfully submits our <u>support for SB 1442 SD 1</u> which requires the public utilities commission (PUC) to consider the value of improving energy data access and transparency in order to make informed decisions.

Elemental Excelerator is a Honolulu-based growth accelerator program founded and operating in Hawai'i. We have awarded over \$30 million to 82 companies resulting in 56 demonstration projects in Hawaii & Asia Pacific. Elemental Excelerator is a Honolulu-based growth accelerator program founded and operating in Hawai'i. Each year, we select 15-20 companies that best fit our mission and fund each company up to \$1 million. We recruit innovative entrepreneurs from around the world to come to Hawai'i and find transformative solutions to help us achieve our 100% clean energy goals.

In April 2018, Elemental Excelerator commissioned a study entitled *Transcending Oil: Hawai'i's Path to a Clean Energy Economy.* The study found that in Hawai'i, transitioning to renewable energy is cheaper than sticking with fossil fuels like oil and coal. The faster we go, the cheaper it will be. The study also recommended creating an open data environment as an enabling tool to realign incentives with clean energy goals.¹

We support SB 1442 SD 1 because we believe improving energy data access and transparency within the PUC provides the state the opportunity to implement an open data environment that will help us make more informed decisions to achieve our clean energy goals. About 15% of Elemental Excelerator's 82 portfolio companies, such as Kevala, focus on clean energy-related data that is meaningful, transparent, and broadly accessible, demonstrating a growing opportunity to attract innovation and our clean energy goals with forward-thinking policies.²

Transcending Oil states that "[a]ccelerating the transition [to clean energy] could reduce oil consumption by 85 to 267 million gallons and spur as much as \$2.8 billion additional cumulative investment by 2030, compared to Business as Usual. It could also create up to 1,500 net new jobs per year, on average, between 2021 and 2030. To realize these outcomes,

¹ Transcending Oil, pg.3, Retrieved from https://www.transcendingoil.com/

² Kevala. (n.d.). Retrieved from https://elementalexcelerator.com/companies/kevala/

we find Hawai'i will need to build a more efficient and open electric grid equipped with AMI and implement regulatory frameworks that allow distributed PV, DR, and other flexible resources to provide an array of grid services. Increased energy efficiency investments can make the acceleration more attainable. **Data sharing and transparency** can make sure all of these resources and frameworks operate efficiently and cost-effectively."³

Mahalo for the opportunity to provide testimony on this legislation.

Sincerely,

Aki Marceau

Managing Director, Policy & Community - Hawai'i

³ Transcending Oil, pg.36, Retrieved from https://www.transcendingoil.com/

<u>SB-1442-SD-1</u> Submitted on: 3/11/2019 1:54:17 AM

Testimony for EEP on 3/12/2019 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:

<u>SB-1442-SD-1</u> Submitted on: 3/10/2019 7:48:30 PM

Testimony for EEP on 3/12/2019 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Erica Scott	Individual	Support	Yes

Comments:

OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 9TH FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org

KIRK CALDWELL MAYOR





TUESDAY, MARCH 12, 2019 8:30AM

STATE OF HAWAI'I HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

TESTIMONY ON SENATE BILL 1442 SD1 A BILL RELATING TO THE PUBLIC UTILITIES COMMISSION

BY,

JOSHUA STANBRO
EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER
OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Lowen, Vice Chair Wildberger, and Members of the Committee:

The City and County of Honolulu (City) Office of Climate Change, Sustainability and Resiliency (Resilience Office) **supports** Senate Bill 1442 SD1, which requires the public utilities commission to consider the value of improving electric power systems data access and transparency.

The City is in the process of planning for and implementing ambitious energy, transportation, and climate resilience initiatives. The Resilience Office is responsible for developing a resilience strategy and climate action plan for the City. Improving transparency and access to electric power systems data will promote a variety of mutually-beneficial environmental and socioeconomic outcomes, and enable more informed and efficient planning and decision-making as the City and State of Hawai'i chart the course to 100 percent renewable energy and carbon neutrality.

Thank you for the opportunity to testify in support of this measure.

<u>SB-1442-SD-1</u> Submitted on: 3/11/2019 4:59:02 PM Testimony for EEP on 3/12/2019 8:30:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing
Andrea Quinn	Individual	Support	No

Comments:

Dear Honorable Committee Members:

Please support SB1442.

Thank you for your time.

Andrea Quinn

Kihei







Testimony presented before the Committee on Energy & Environmental Protection Tuesday, March 12, 2019 at 8:30 a.m. Conference Room 325

Senate Bill 1442, SD 1

Dear Chair Lowen, Vice Chair Wildberger, and members of the Committee:

Senate Bill 1442, SD 1 requires the Public Utilities Commission to consider the value of improving electric power systems data access and transparency in order to make informed decisions. In January 2019 the Young Democrats of Hawaii conducted a member survey to identify and prioritize important issues facing young people today. Taking action on climate change was identified as one of the top three issues. YDHI members recognize that the impacts of climate change are already being felt throughout the world and in the State of Hawaii, and that actions must be taken immediately to ensure a viable future for all of Hawaii residents. The Young Democrats of Hawaii **strongly supports** the passing of Senate Bill 1442, SD 1 for the following reasons:

- 1) Ratepayers should have easy access to their energy consumption and production data so that they can make informed decisions regarding their energy usage. It is equally important that the data be protected to maintain consumer privacy.
- 2) SB1442, SD 1 will help Hawaii meet its goal of 100% clean energy by 2045 as well as the Paris Agreement. When the federal government decided to step away from the Paris Agreement in 2017, the State of Hawaii became the first state to enact legislation to implement the goals of the global accord. Hawaii must continue to lead by example for the rest of the nation and the world in climate change mitigation.

Thank you for the opportunity to testify.

Sincerely,

Executive Committee
Young Democrats of Hawaii

<u>SB-1442-SD-1</u> Submitted on: 3/12/2019 3:23:30 AM

Testimony for EEP on 3/12/2019 8:30:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing
Brodie Lockard	Organizing for Action	Support	Yes

Comments: